

.16 UTILITY FUND PROGRAM GUIDELINES

The .16 Utility Fund Program has been created to provide a dedicated funding source for new construction and extension of infrastructure to support economic development in the Rapid City Community.

Eligible Projects

The .16 Utility Fund Program Fund shall be utilized to pay for new construction, to extend infrastructure and expand services, and support expanding economic opportunities.

Where ever possible new facilities and reconstruction to serve existing development shall be funded from rates.

Repayment

To the greatest degree possible the .16 Utility Fund Program will be established as a revolving fund. Repayment may be made from Tax Increment Districts, connection fees, Infrastructure loans or other payment options. All repayments will be returned to the .16 Utility Fund.

Existing Facilities

During the initial establishment of the .16 Utility Fund, \$4 million has been allocated to subsidize the sewer rates from 2005 to 2009. These funds support the maintenance, operations and reconstruction of all existing infrastructure. By providing a dedicated funding source for new construction and expansion, additional funds from the rate base are available to support maintenance and reconstruction of existing infrastructure.